



Houston KROI, KMJQ, KBXX
Political Broadcast Advertising Disclosure Statement
EFFECTIVE as of 9/9/16

Legally Qualified Candidates: The stations provide political advertising to candidates who are legally qualified by either (1) publicly announcing their candidacy for a specific office; or having made a substantial showing of genuine candidacy, and (2) if elected, are qualified under the applicable federal, state or local law to hold office. Candidates for federal office are afforded “reasonable access” to air their political commercials. The stations are not required by law to sell advertising time to state and local candidates. Nonetheless, the stations maintain the right to exercise our good faith judgment to determine which state or local races, if any, are of greatest significance and therefore the stations may refuse to sell time to candidates for non-federal races.

Candidate “Uses”: A “use” is defined as a non-exempt *positive appearance* on the air by a legally qualified candidate in which, the candidate’s voice is identified or is “readily identifiable” by the listening audience. Thus, “use” can be conveyed by the candidate reading the sponsorship tag or the candidate being identified as the person reading the tag; i.e., “Paid for by...” or “Sponsored by...” Such sponsor identification complies with the requirements of Section 317 of the Communications Act. The purchase of time by the candidate or the candidate’s authorized campaign committee, or authorized agent with the use of the candidate’s voice to promote his or her election to office, qualifies as authorized “use”.

Equal Opportunities: A station that permits a “legally qualified” candidate for public office to “use” its facilities must then afford “equal opportunities”, often referred to as “equal time,” to all other candidates for that office. A candidate acquires a right to equal opportunities only when an appearance is made by an “opposing” candidate. A candidate’s right to equal opportunities arises only when a timely request is made, and such requests must be made within seven days of an appearance by an opposing candidate. The stations also may limit the amount of time sold if: (1) the grant of the request would seriously interfere with the station’s duty to program in the public interest or (2) the grant of the request would give the last-minute purchaser an unfair advantage over opposing candidates by allowing him or her to saturate broadcast time during the last few days before an election.

Political Rate Window: Political rates for legally qualified candidates are available during the 45-day period before a primary or primary run-off election and during the 60-day period before a general or special election. Under the “lowest unit rate” (LUR), and within the political windows for specific elections, the stations extend their most favorable quantity or volume discount to any legally qualified candidate regardless of the number of commercials purchased by the candidate. The LUR applies only to charges made for the same class and amount of time. The LUR is based on the most favored rates during the relevant weeks within the political rate window at the time of the request by a candidate to air his or her commercials. Since the most

avored quantity and volume discounts may vary within the political period, each station's LUR may vary. Outside of the political rate window for LUR, the stations may extend commercial time to legally qualified candidates at prevailing rates.

Other Ballot Advertising: Generally, "issue advertising" does not involve programs or announcements advocating the election or defeat of a political candidate. Accordingly, issue advertising is not subject to the general political broadcasting rules and not afforded the LUR. Nonetheless, issue advertising must comply with the FCC's rules on sponsorship identification and sponsorship list retention within the public file. Political action committees, other organizations, and individuals unaffiliated with a candidate who purchase time advocating the election or defeat of a particular candidate are not entitled to the LUR.

Availability to Place Political Commercials: During normal business hours, 8:30am until 5:30pm, Monday through Friday, legally qualified candidates may place advertising time by completing and signing the *National Association of Broadcasters (NAB PB-18) Agreement Form for Political Candidate Advertisements*, along with payment in advance by cash, certified check, or credit card authorization completed by the candidate or authorized committee. Advertising for political candidates may be placed and aired through Election Day.

Production, Tape, and Copy Delivery: Produced tapes for political commercials must be delivered to the radio station no later than twenty-four hours in advance of the scheduled commercials to ensure compliance with FCC sponsorship identification rules. Copy and any required production for political commercials must be provided to the station a minimum of two business days in advance of airing. Any excessive editing, dubbing, and remote recording will be subject to charges, rates to be determined. The stations reserve the right to alter any political advertisement to ensure compliance with the FCC's sponsorship identification requirements.

Classes of Time: The stations provide different classes of time for political candidates. The identifiable classes of time will define the time period, and the level of preemption, including the LUR. Each class of time and the accompanying rates will be identified in the attachment to this disclosure statement. Preemptible is the "lowest unit rate" and offers the station's most favored volume or quantity discounts. Preemptible time has a level of clearance between 50% and 60%. Non-preemptible time is a level of rates above the "lowest unit charge", having a level of clearance between 85% and 95%. When political commercials are preempted, the stations make every attempt to provide timely make goods within the schedule ordered. Commercials are made good in the same daypart or time period in which they were ordered, or a credit is issued if the commercial cannot be made good within the schedule. While the political candidate is afforded the LUR for the days and dayparts effective during the political window, the candidate may, at his or her own discretion, elect either class of time based on the level of preemption. In the case of candidates for federal office, the stations are required to provide reasonable access to each station's overall schedule. If a particular time period is sold out, the station must provide reasonable access to accommodate such time periods with available commercial inventory. ***Preemptible Restriction** no more than two (2) spots per hour can be purchased by a political candidate per station

Run-of-Schedule (ROS) Spots: ROS spots have been determined a form of discount and the LUR entitles candidates to purchase them if sold to commercial advertisers. Thus, if a station offers ROS spots to commercial advertisers, it must also make them available to: (1) legally qualified candidates for federal office, and (2) candidates in state and local races for which it is selling time. Once a candidate has been provided full disclosure to the benefits and differences in the classes of preemptible time classes and has subsequently purchased time, that candidate

is not entitled to a rebate if another class of time clears at the same daypart. ***ROS Restriction**, a maximum of four (4) ROS spots per day can be purchased across each station.

Non-Candidate/Issue Advertisements: Issue advertisements are spots that do not expressly advocate the election or defeat of a federal candidate, and as such, are not entitled to the LUR charges. Instead, such ads generally refer to legislative matters that involve a controversial issue of public importance that are not sponsored by the candidates' official committees. Stations may charge regular commercial rates for such announcements.

Generally, stations have the discretion whether to accept issue ads. If a station accepts issue advertising, then the station must maintain the public file for certain issue advertisements that communicate "a message relating to any political matter of national importance."

If the spot contains a candidate-authorized "use," then:

- The station may not censor it;
- Reasonable access (for federal candidates) may apply; and
- Equal opportunities may apply.

If the spot does not contain a candidate-authorized "use," then:

- Reasonable access will not apply;
- LUR rules will not apply*; and
- The station may be liable for any defamatory statements, and as such, has a duty to review these spots.

*The LUR provision also does not apply to third party advertisers, including "independent" political action committees (PACS) -- i.e., committees other than a candidate's authorized campaign committee -- even where a candidate's picture or voice is included.

Talent Endorsements/Sponsorships: Any on-air or programming personnel, or any person whose recognizable voice or image appears on Company's stations, prior to becoming a legally qualified candidate, must immediately notify Company's management of his or her intent to seek an elective office. In the Company's discretion, such person may be removed from on-air broadcasts if he or she declares or legally qualifies as a candidate for elective office or engages in any other activity that could reasonably be expected to trigger the equal time provisions of the FCC's political broadcasting rules.

No on-air or programming personnel, or any person whose recognizable voice or image appears on Company's stations, should publicly endorse any candidate for elective office, except with the prior knowledge and consent of Company's management.

No current employee of Radio One Houston or former employee who was employed by Radio One before January 1, 2013 shall be the voice or talent on any political ad aired on any Radio One Houston station.

No political candidate, campaign, or advertising on behalf of a Political Action Committee shall be the specific sponsor of any program or program segment on any of our stations, including newscasts, weather, traffic reports, talk shows or special programs.

Online Political Advertising: the Federal Election Commission imposes disclaimer obligations on political advertising displayed via on the Internet. These requirements apply to federal elections and candidates, and affect commercial website advertising sold by broadcasters, regardless whether it is sold in conjunction with the sale of on-air broadcast time. The regulations apply to all forms of advertising, such as banner advertisements, streaming video, pop-up advertisements, and directed search results.

Online Disclaimer Requirements

- If an online political communication is paid for and authorized by a candidate, or his/her authorized committee or agent, it must clearly state that the communication was paid for by the candidate or the candidate's authorized political committee.
- If the communication is authorized, but is paid for by any other person, the disclaimer must clearly state that the communication is paid for by such other person and is authorized by the candidate, authorized committee, or agent.
- If the communication is not authorized, the disclaimer must clearly state the full name and permanent street address, telephone number, or URL address of the person or organization paying for the communication, and that the communication is not authorized by any candidate or candidate's committee. The size of the disclaimer must be clearly readable (e.g., at least twelve-point font size). It must be contained in a printed box set apart from the other contents of the communication. It must also have a reasonable degree of color contrast.

Online Political or Issue Ads Must Comply with the Following:

- Accepted Online Units: Pre-Rolls, Banners, Pencils and Streaming (No Take Overs or Wallpaper)
- No one candidate or issue group may purchase of more than 25% of a station's online inventory
- All political or issue online advertising shall be Cash in Advance
- All online political ads must be submitted in advance for approval by the National Director of Political Sales or Director of Integrated Marketing

Right to Amend Political Rates and Transactions: The stations reserve the right to cancel or modify any sale of advertising made or contract entered into for the sale of time on the station, pursuant to the FCC's requirements regarding "equal opportunities" and "reasonable access" in the case of federal candidates. Where such cancellations or modifications are necessary, advertisers will be advised and rebates, schedule changes, or other adjustments will be made as may be appropriate

Cash Payments on Political Orders: All orders received and paid in full with cash from political advertisers and or candidates must provide a copy of their identification card or driver's license to be kept on file with Radio One Inc. Business office.

Not an Offer to Sell: This disclosure statement does not constitute an offer to sell time, nor is it a contract; rather, it is a statement of the policies that the stations, in good faith, attempt to follow in connection with the sale and placement of political advertising. The terms of any actual sales of time are contained in the stations' sales contracts and none of the matters contained in this disclosure statement are incorporated by reference in the sales contracts.

Radio One Houston

Political Candidate Rate Card

Rates as of 9/9/16 - All rates subject to change

KROI Dayparts	Preemptible Rate :60	Non-Preemptible Rate :60	Preemptible Rate :30	Non-Preemptible Rate :30
Monday-Friday 6a-10a	\$25	\$100	\$45	\$45
Monday-Friday 10a-3p	\$20	\$75	\$25	\$35
Monday-Friday 3p-7p	\$50	\$100	\$25	\$75
Monday-Friday 7p-12m	\$15	\$30	\$10	\$25
Saturday 6a-10a	\$10	\$40	\$15	\$30
Saturday 10a-3p	\$50	\$50	\$20	\$25
Saturday 3p-7p	\$50	\$50	\$20	\$25
Saturday 7p-12m	\$15	\$25	\$10	\$15
Sunday 6a-10a	\$25	\$25	\$5	\$30
Sunday 10a-3p	\$25	\$25	\$10	\$20
Sunday 3p-7p	\$25	\$25	\$10	\$10
Sunday 7p-12m	\$25	\$25	\$10	\$10
*ROS Monday-Friday 6a-7p	\$25	\$50	\$25	\$40
Monday-Sunday 12m-6a	\$5	\$5	\$5	\$5

Notes: The Preemptible time has a level of clearance between 50% and 60%.

Station is available to take all local, state and federal races.

*Restriction no more than two (2) spots per hour can be purchased by a political candidate per station

*ROS Restriction, a maximum of four (4) ROS spots per day can be purchased across each station.

KMJQ Dayparts	Preemptible Rate :60	Non-Preemptible Rate :60	Preemptible Rate :30	Non-Preemptible Rate :30
Monday-Friday 6a-10a	\$196	\$350	\$100	\$275
Monday-Friday 10a-3p	\$150	\$262	\$100	\$225
Monday-Friday 3p-7p	\$240	\$365	\$250	\$310
Monday-Friday 7p-12m	\$50	\$50	\$40	\$50
Saturday 6a-10a	\$85	\$100	\$35	\$80
Saturday 10a-3p	\$75	\$150	\$70	\$200
Saturday 3p-7p	\$110	\$150	\$80	\$100
Saturday 7p-12m	\$25	\$50	\$20	\$50
Sunday 6a-10a	\$45	\$50	\$25	\$35
Sunday 10a-3p	\$45	\$150	\$30	\$125
Sunday 3p-7p	\$80	\$165	\$45	\$145
Sunday 7p-12m	\$25	\$75	\$15	\$45
*ROS Monday-Friday 6a-7p	\$150	\$235	\$210	\$235
Monday-Sunday 12m-6a	\$2	\$5	\$5	\$5

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KBXX Dayparts	Preemptible Rate :60	Non-Preemptible Rate :60	Preemptible Rate :30	Non-Preemptible Rate :30
Monday-Friday 6a-10a	\$200	\$325	\$125	\$310
Monday-Friday 10a-3p	\$150	\$352	\$110	\$325
Monday-Friday 3p-7p	\$225	\$475	\$275	\$400
Monday-Friday 7p-12m	\$50	\$150	\$25	\$150
Saturday 6a-10a	\$15	\$65	\$50	\$100
Saturday 10a-3p	\$75	\$125	\$125	\$180
Saturday 3p-7p	\$125	\$200	\$125	\$190
Saturday 7p-12m	\$90	\$145	\$50	\$100
Sunday 6a-10a	\$35	\$75	\$15	\$50
Sunday 10a-3p	\$50	\$125	\$75	\$55
Sunday 3p-7p	\$50	\$125	\$20	\$125
Sunday 7p-12m	\$30	\$125	\$20	\$50
ROS Monday – Friday 6a-7p	\$150	\$355	\$210	\$225
Monday-Sunday 12m-6a	\$5	\$10	\$5	\$5

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